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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A LESTER

September 25, 2000

RECORDATION NO. 23104 FILED

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

SEP 25 '00 12-21 PM
TS
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Master Lease, dated September 11, 2000, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: El-Mo Leasing III Corporation
9301 West 55th Street
LaGrange, IL 60525

Lessee: Union Pacific Railroad Company
1416 Dodge Street
Omaha, NE 68179

A description of the railroad equipment covered by the enclosed document is:

41 SD90MAC locomotives within the series UP8500 - UP8561

Mr. Vernon A. Williams
September 25 2000
Page Two

A short summary of the document to appear in the index follows:

Master Lease between El-Mo Leasing III Corporation, Lessor and
Union Pacific Railroad, Lessee, covering 41 SD90MAC locomotives
within the series UP8500 - UP8561

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface
Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RECORDATION NO. 23104 FILED

SEP 25 '00 12:21 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF MASTER LEASE

Dated as of September 11, 2000

Between

**El-Mo Leasing III Corporation
as Lessor**

and

**Union Pacific Railroad Company
as Lessee**

[Signature Page for Memorandum of Master Lease]

SEP 25 '00 12-21 PM

MEMORANDUM OF MASTER LEASE

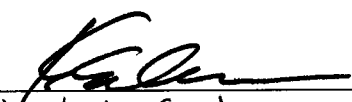
SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF MASTER LEASE is made and entered into as of September 11, 2000 by and between El-Mo Leasing III Corporation, a Delaware corporation ("Lessor"), and Union Pacific Railroad Company, a Delaware corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, forty-one (41) SD90MAC locomotives bearing road numbers as indicated on Exhibit A attached hereto, all as more particularly described in that certain Master Lease dated as of September 11, 2000 (the "Lease"), between Lessor and Lessee.
2. The Lease with respect to each Locomotive shall be effective as of September 1, 2000 and shall thereafter be in effect for the Lease Term as defined therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Master Lease to be executed as of the date first above written.

El-Mo Leasing III Corporation

By: 
 Name: Keith McCantless
 Title: Assistant Treasurer

Union Pacific Railroad Company

By: _____
 Name: _____
 Title: _____

MEMORANDUM OF MASTER LEASE

THIS MEMORANDUM OF MASTER LEASE is made and entered into as of September 11, 2000 by and between El-Mo Leasing III Corporation, a Delaware corporation ("Lessor"), and Union Pacific Railroad Company, a Delaware corporation ("Lessee"), with reference to the following:

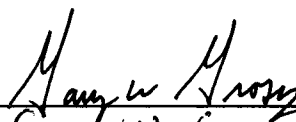
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2. The Lease with respect to each Locomotive shall be effective as of September 1, 2000 and shall thereafter be in effect for the Lease Term as defined therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Master Lease to be executed as of the date first above written.

El-Mo Leasing III Corporation

By: _____
Name: _____
Title: _____

Union Pacific Railroad Company

By: 
Name: Gary W. Grosz
Title: Assistant Treasurer

[Notary Public Page for Memorandum of Master Lease]

STATE OF ILLINOIS, COUNTY OF COOK, TO WIT:

On this _____ day of September, 2000, before me personally appeared, Keith A. McCaless to me personally known, who being by me duly sworn, says that he is a Assistant Treasurer of El-Mo Leasing III Corporation, a Delaware corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Kathryn J. Zicarelli
Notary Public

(SEAL)

My Commission Expires: 7/30/01

STATE OF NEBRASKA, COUNTY OF DOUGLAS, TO WIT:

On this _____ day of September, 2000, before me personally appeared, _____ to me personally known, who being by me duly sworn, says that he is a _____ of Union Pacific Railroad Company, a Delaware corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

My Commission Expires:

[Notary Public Page for Memorandum of Master Lease]

STATE OF ILLINOIS, COUNTY OF COOK, TO WIT:

On this _____ day of September, 2000, before me personally appeared, _____ to me personally known, who being by me duly sworn, says that he is a _____ of El-Mo Leasing III Corporation, a Delaware corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

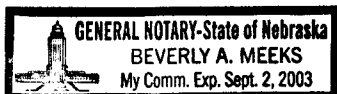
Notary Public

(SEAL)

My Commission Expires:

STATE OF NEBRASKA, COUNTY OF DOUGLAS, TO WIT:

On this 21st day of September, 2000, before me personally appeared, GARY W. GROSZ to me personally known, who being by me duly sworn, says that he is an Assistant Treasurer of Union Pacific Railroad Company, a Delaware corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Beverly A. Meeks
Notary Public

(SEAL)

My Commission Expires: Sept. 2, 2003

EXHIBIT A

DESCRIPTION OF LOCOMOTIVES

Forty-one (41) SD90MAC locomotives bearing the following Union Pacific Railroad Company road numbers.

8500	8542
8522	8543
8523	8544
8524	8545
8525	8546
8526	8547
8527	8548
8528	8549
8529	8550
8530	8551
8531	8552
8532	8553
8533	8554
8534	8555
8535	8556
8536	8557
8537	8558
8538	8559
8539	8560
8540	8561
8541	